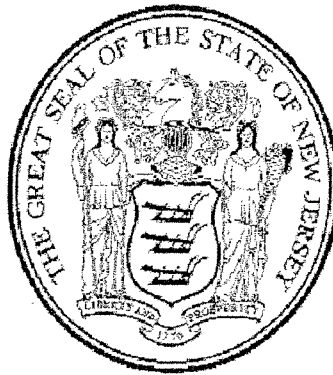


QUARTERLY REPORT

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.

FOR THE QUARTER ENDED DECEMBER 31, 2004

**TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY**



BALANCE SHEETS

AS OF DECEMBER 31, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	ASSETS		
	Current Assets:		
1	Cash and Cash Equivalents.....	\$ 20,106	\$ 15,383
2	Marketable securities (Short Tm. money market at cost).....	11,853	63,392
	Receivables and Patrons' Checks (Net of Allowance for		
3	Doubtful Accounts - 2004, \$1,447; 2003, \$2,052)..... Note 3.....	5,531	5,175
4	Inventories.....	2,332	1,503
5	Prepaid Expenses and Other Current Assets..... Note 4.....	9,331	7,060
6	Total Current Assets.....	49,153	92,513
7	Investments, Advances, and Receivables..... Note 5.....	11,085	12,356
8	Property and Equipment - Gross.....	292,402	212,730
9	Less: Accumulated Depreciation and Amortization.....	(36,159)	(23,121)
10	Property & Equipment - Net..... Note 6.....	256,243	189,609
11	Other Assets.....	6,630	8,208
12	Total Assets.....	\$ 323,111	\$ 302,686
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts Payable.....	\$ 10,957	\$ 3,390
14	Notes Payable.....	-	-
	Current Portion of Long-Term Debt:		
15	Due to Affiliates.....	-	-
16	Other..... Note 9.....	5,525	846
17	Income Taxes Payable and Accrued.....	-	407
18	Other Accrued Expenses..... Note 7.....	15,305	13,701
19	Other Current Liabilities..... Note 8.....	8,649	8,439
20	Total Current Liabilities.....	40,436	26,783
	Long-Term Debt:		
21	Due to Affiliates..... Note 9.....	177,103	176,599
22	Other..... Note 9.....	16,848	6,682
23	Deferred Credits.....	6,583	5,591
24	Other Liabilities.....	-	-
25	Commitments and Contingencies..... Note 13.....	-	-
26	Total Liabilities.....	240,970	215,655
27	Stockholders, Partners', or Proprietor's Equity.....	82,141	87,031
28	Total Liabilities and Stockholders' Equity.....	\$ 323,111	\$ 302,686

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	Revenue:		
1	Casino.....	\$ 247,842	\$ 230,135
2	Rooms.....	18,341	11,163
3	Food and Beverage.....	23,387	22,079
4	Other.....	8,439	6,496
5	Total Revenue.....	298,009	269,873
6	Less: Promotional Allowances.....	68,643	56,209
7	Net Revenue.....	229,366	213,664
	Costs and Expenses:		
8	Cost of Goods and Services.....	157,544	147,575
9	Selling, General, and Administrative.....	44,180	37,038
10	Provision for Doubtful Accounts.....	138	468
11	Total Costs and Expenses.....	201,862	185,081
12	Gross Operating Profit.....	27,504	28,583
13	Depreciation and Amortization.....	16,681	13,557
	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other.....	-	-
16	Income (Loss) from Operations.....	10,823	15,026
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates..... Note 10.....	(17,145)	(17,540)
18	Interest (Expense) - External.....	(696)	(310)
19	Investment Alternative Tax and Related Expense, Net of Amortization of \$0 and \$0 Respectively.....	(1,510)	2,280
20	Nonoperating Income (Expense) - net..... Note 11.....	1,726	1,015
21	Total Other Income (Expenses).....	(17,625)	(14,555)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	(6,802)	471
23	Provision (Credit) for Income Taxes..... Note 12.....	(1,912)	1,727
24	Income (Loss) Before Extraordinary Items.....	(4,890)	(1,256)
25	Extraordinary Items (net of income tax benefit).....	-	-
26	Net Income (Loss).....	\$ (4,890)	\$ (1,256)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

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STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	Revenue:		
1	Casino.....	\$ 54,778	\$ 46,883
2	Rooms.....	4,890	3,064
3	Food and Beverage.....	4,639	4,925
4	Other.....	1,591	1,516
5	Total Revenue.....	65,898	56,388
6	Less: Promotional Allowances.....	15,482	12,657
7	Net Revenue.....	50,416	43,731
	Costs and Expenses:		
8	Cost of Goods and Services.....	37,025	34,327
9	Selling, General, and Administrative.....	10,755	7,808
10	Provision for Doubtful Accounts.....	80	(60)
11	Total Costs and Expenses.....	47,860	42,075
12	Gross Operating Profit.....	2,556	1,656
13	Depreciation and Amortization.....	4,505	3,660
14	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other.....	-	-
16	Income (Loss) from Operations.....	(1,949)	(2,004)
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates.....	(5,308)	(3,918)
18	Interest (Expense) - External.....	(254)	(77)
19	Investment Alternative Tax and Related Expense, Net of Amortization of \$0 and \$0 Respectively.....	(117)	(114)
20	Nonoperating Income (Expense) - net.....	177	192
21	Total Other Income (Expenses).....	(5,502)	(3,917)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	(7,451)	(5,921)
23	Provision (Credit) for Income Taxes.....	(3,401)	(1,604)
24	Income (Loss) Before Extraordinary Items.....	(4,050)	(4,317)
25	Extraordinary Items (net of income tax benefit).....	-	-
26	Net Income (Loss).....	\$ (4,050)	\$ (4,317)

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2004

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Common Stock		Preferred Stock		Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated) (Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
		Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 2002.....	1,000,000	\$ 1,000		\$	\$ 76,696		\$ 10,614	\$ 88,310
2	Net Income (Loss) - 2003.....							(1,256)	(1,256)
3	Contribution to Paid-in-Capital.....								-
4	Dividends.....								
5	Prior Period Adjustments.....								
6	Sale of Hedging Instrument.....								-
7	Changes in value of stock options granted to employees and consultants.....					(23)			(23)
8								
9								
10	Balance, December 31, 2003.....	1,000,000	1,000			76,673		9,358	87,031
11	Net Income (Loss) - 2004.....							(4,890)	(4,890)
12	Contribution to Paid-in -Capital.....								-
13	Dividends.....								-
14	Changes in value of stock options granted to employees and consultants.....								-
15								-
16								-
17								-
18								-
19	Balance, December 31, 2004.....	1,000,000	\$ 1,000		\$	\$ 76,673	\$	\$ 4,468	\$ 82,141

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
1	Net Cash Provided (Used) by Operating Activities.....	\$ 19,586	\$ 4,177
	Cash Flows From Investing Activities:		
2	Purchase of Short-Term Investment Securities.....	-	-
3	Proceeds from the Sale of Short-Term Investment Securities.....	-	-
4	Cash Outflows for Property and Equipment.....	(79,865)	(54,135)
5	Proceeds from Disposition of Property and Equipment.....	1,672	-
6	Purchase of Casino Reinvestment Obligations.....	(3,051)	(3,020)
7	Purchase of Other Investments and Loans/Advances made.....	-	-
	Proceeds from Disposal of Investments and Collection		
8	of Advances and Long-Term receivables.....	-	-
9	Cash Outflows to Acquire Business Entities.....	-	-
10	CRDA Reimbursement.....	756	9,189
11		-	-
12	Net Cash Provided (Used) By Investing Activities.....	(80,488)	(47,966)
	Cash Flows From Financing Activities:		
13	Cash Proceeds from Issuance of Short-Term Debt.....	-	-
14	Payments to Settle Short-Term Debt.....	(2,892)	(979)
15	Cash Proceeds from Issuance of Long-Term Debt.....	17,137	645
16	Costs of Issuing Debt.....	(159)	(62)
17	Payments to Settle Long-Term Debt.....	-	-
18	Cash Proceeds from Issuing Stock or Capital Contributions.....	-	-
19	Purchases of Treasury Stock.....	-	-
20	Payments of Dividends or Capital Withdrawals.....	-	-
21	Other Financing Activities.....	-	-
22	Advances from (Repayment to) Parent Company and Affiliates.....	-	-
23	Net Cash Provided (Used) By Financing Activities.....	14,086	(396)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....	(46,816)	(44,185)
25	Cash and Cash Equivalents at Beginning of Period.....	78,775	122,960
26	Cash and Cash Equivalents at End of Period.....	\$ 31,959	\$ 78,775

	Cash Paid During Period For:		
27	Interest (Net of Amount Capitalized).....	\$ 17,335	\$ 17,388
28	Income Taxes (Net of amounts refunded).....	\$ (519)	\$ (609)

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004 AND 2003

(UNAUDITED)
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2004 (c)	2003 (d)
	Net Cash Flows From Operating Activities:		
29	Net Income.....	\$ (4,890)	\$ (1,256)
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment.....	13,362	10,306
31	Amortization of Other Assets.....	3,319	3,251
32	Amortization of Debt Discount or Premium.....	504	448
33	Deferred Income Taxes - Current.....	(510)	79
34	Deferred Income Taxes - Noncurrent.....	992	938
35	(Gain) Loss on Disposition of Property and Equipment.....	(1,203)	61
36	(Gain) Loss on Casino Reinvestment Obligations.....	1,510	(2,280)
37	(Gain) Loss from Other Investment Activities.....	-	-
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks	(356)	(77)
39	Net (Increase) Decrease in Inventories.....	(829)	(214)
40	Net Decrease (Increase) in Other Current Assets.....	(1,761)	574
41	Net Decrease (Increase) in Other Assets.....	585	(1,311)
42	Net Increase (Decrease) in Accounts Payable.....	7,567	(2,173)
	Net (Decrease) Increase in Other Current Liabilities		
43	Excluding Debt.....	1,296	(4,146)
	Net Increase (Decrease) in Other Noncurrent Liabilities		
44	Excluding Debt.....	-	(23)
45	Loss on extinguishment of debt.....	-	-
46			
47	Net Cash Provided (Used) By Operating Activities.....	\$ 19,586	\$ 4,177

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment.....	\$ (79,865)	\$ (54,135)
49	Less: Capital Lease Obligations incurred.....	-	-
50	Cash Outflows for Property and Equipment.....	\$ (79,865)	\$ (54,135)
	Acquisition of Business Entities:		
51	Property and Equipment Acquired.....	\$	\$
52	Goodwill Acquired.....		
53	Net Assets Acquired Other than Cash, Goodwill, and Property and Equipment.....		
54	Long-Term Debt Assumed.....		
55	Issuance of Stock or Capital Invested.....		
56	Cash Outflows to Acquire Business Entities.....	\$ -	\$ -
	Stock Issued or Capital Contributions:		
57	Total Issuances of Stock or Capital Contributions.....	\$ -	\$ -
58	Less: Issuances to Settle Long-Term Debt.....		
59	Consideration in Acquisition of Business Entities.....		
60	Cash Proceeds from Issuing Stock or Capital Contributions.....	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2004

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (in thousands) (d)	Number of Recipients (e)	Dollar Amount (in thousands) (f)
1	Rooms	165,262	\$ 13,676	467	\$ 88
2	Food	1,080,400	12,803	155	16
3	Beverage	487,125	2,754	-	-
4	Travel	-	-	16,571	1,700
5	Bus Program Cash	596,170	9,710	-	-
6	Other Cash Complimentaries	1,015,914	27,045	-	-
7	Entertainment	64,698	2,313	1,591	248
8	Retail & Non-Cash Gifts	7,477	197	1,955	427
9	Parking	-	-	-	-
10	Other	7,376	145	48,980	944 *
11	Total	3,424,422	\$ 68,643	69,719	\$ 3,423

* Included in Other Promotional Expenses for the twelve months ended December 31, 2004 are tobacco complimentaries in the amount of \$274. No other single item or service included in other exceeds 5% of the column total.

FOR THE THREE MONTHS ENDED DECEMBER 31, 2004

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	39,431	\$ 3,329	49	\$ 11
2	Food	223,851	2,604	10	6
3	Beverage	110,358	607	-	-
4	Travel	-	-	3,760	307
5	Bus Program Cash	101,341	1,584	-	-
6	Other Cash Complimentaries	266,553	6,785	-	-
7	Entertainment	11,073	492	356	67
8	Retail & Non-Cash Gifts	180	52	451	99
9	Parking	-	-	-	-
10	Other	1,251	29	12,308	219 *
11	Total	754,038	\$ 15,482	16,934	\$ 709

* Included in Other Promotional Expenses for the three months ended December 31, 2004 are tobacco complimentaries in the amount of \$70. No other single item or service included in other exceeds 5% of the column total.

RESORTS INTERNATIONAL HOTEL INC. NOTES TO FINANCIAL STATEMENTS

1. Basis of Presentation

Colony RIH Holdings, Inc., a Delaware corporation ("CRH"), owns 100% of the outstanding common stock of Resorts International Hotel and Casino, Inc., also a Delaware corporation ("RIHC"). RIHC, through its wholly-owned subsidiary, Resorts International Hotel, Inc., a New Jersey corporation ("RIH" or the "Company"), owns and operates Resorts Atlantic City, a casino/hotel located in Atlantic City, NJ.

RIHC, Kerzner International North America, Inc., a Delaware corporation ("KINA"), formerly Sun International North America, Inc., and GGRI, Inc., a Delaware corporation ("GGRI"), entered into a purchase agreement, dated October 30, 2000, as amended (the "Purchase Agreement"). Pursuant to the Purchase Agreement, RIHC acquired all of the capital stock of RIH, the Warehouse Assets (as defined in the Purchase Agreement) and all of the capital stock of New Pier Operating Company, Inc. ("New Pier"), a New Jersey corporation (collectively, the "Acquisition") on April 25, 2001 for approximately \$144.8 million.

The Acquisition has been accounted for using the purchase method, and accordingly, the aggregate purchase price, including transaction fees and expenses, has been allocated based on the fair value of the assets acquired and liabilities assumed.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Allowances for doubtful accounts arising from casino, hotel and other services, are based upon a specific review of certain outstanding receivables. In determining the amounts of the allowances, certain estimates and assumptions are made, and actual results may differ from those assumptions.

Cash Equivalents

Short-term money market securities purchased with original maturities of three months or less are considered to be cash equivalents. These securities are classified as available-for-sale, which are carried at fair value with unrealized gains and losses, net of tax, reported in other comprehensive income. The carrying value of cash equivalents approximates fair value due to the short-term maturity of these instruments.

Inventories

Inventories of provisions, supplies and spare parts are valued at the lower of cost (first-in, first-out) or market.

Property and Equipment

Property and equipment are stated at cost and are depreciated over their estimated useful lives reported below using the straight-line method. Interest costs incurred during the construction period are capitalized in accordance with Statement of Financial Accounting Standards No. 34, "Capitalization of Interest Costs." Interest expense of \$4.1 million and \$3.6 million was capitalized for the years ended December 31, 2004 and 2003, respectively.

Hotels and other buildings	35 – 40	years
Furniture fixtures and equipment	2 – 5	years

2. Summary of Significant Accounting Policies (continued)

The provisions of SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144") requires, among other things, that an entity review its long-lived assets and certain intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. SFAS No. 144 requires an impairment loss to be recognized only if the carrying amounts of long-lived assets to be held and used are not recoverable from their expected undiscounted future cash flows.

Income Taxes

The Company follows the provisions of SFAS No. 109, "Accounting for Income Taxes". Accordingly, deferred tax assets and liabilities are calculated as the difference between the financial statement carrying amounts and tax bases of assets and liabilities. These differences are affected by the tax rate for the year in which they are expected to be recovered or settled. A valuation allowance is recognized, if necessary, to account for the likelihood that these differences will not be realized in the future. Note 12 further addresses the components of the deferred tax assets and liabilities.

Revenue Recognition

Gaming revenue is recorded as the net win from gaming activities, which represents the difference between amounts wagered and amounts won by patrons. Revenues from hotel and related services and from theater ticket sales are recognized at the time the related service is performed.

Advertising

The Company expenses advertising costs as incurred. These costs are included in Selling, General and Administrative costs on the Company's Consolidated Statements of Operations.

Pre-Opening Expenses

For the year ended December 31, 2004, the Company recorded \$2.7 million of pre-opening expenses, primarily advertising and related costs, to promote the opening of the New Tower.

Stock Based Compensation

As allowed under the provisions of Financial Accounting Standards Board Statement Number 123 ("SFAS No. 123"), "Accounting for Stock-Based Compensation," the Company applies the provisions of Accounting Principles Board Opinion Number 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for employee stock options, and accordingly, does not recognize compensation expense. Had compensation expense for the employee stock option plan been determined in accordance with SFAS No. 123, total stock-based employee compensation expense, net of tax effects, would have been \$30,000, \$30,000 and \$48,000 for the years ended December 31, 2004, 2003, and 2002, respectively. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	2004	2003	2002
Risk free interest rate	4.66%	5.07%	4.79%
Volatility factors	10%	10%	10%
Expected life	5 years	5 years	5 years
Dividends	None	None	None

Equity instruments issued to non-employees in exchange for goods or services are accounted for using the fair value method and expense is recorded based on the value determined.

New Accounting Pronouncements

On December 16, 2004, the FASB issued Statement 123 (revised 2004), "Share Based Payment" ("FAS 123R"). FAS 123R supersedes APB 25, "Accounting for Stock Issued to Employees," and is effective for the Company at the beginning of the first interim or annual period after January 1, 2006. FAS 123R requires that the fair value of equity based awards be recognized in the financial statements for new awards and previously granted awards that are not yet fully vested on the adoption date. The Company is currently evaluating the impact of adopting FAS 123R, but does not expect a material impact.

3. Receivables

Components of receivables were as follows at December 31 (in thousands):

	2004	2003
Gaming	\$ 5,315	\$ 5,733
Less: allowance for doubtful accounts.....	(1,415)	(2,011)
	<u>3,900</u>	<u>3,722</u>
Non-gaming:		
Hotel and related.....	643	321
Other	1020	1,173
	<u>1,663</u>	<u>1,494</u>
Less: allowance for doubtful accounts.....	(32)	(41)
	<u>1,631</u>	<u>1,453</u>
Receivables, net.....	<u>\$ 5,531</u>	<u>\$ 5,175</u>

4. Prepaid Expenses and Other Current Assets

Components of prepaid expenses and other current assets were as follows at December 31 (in thousands):

	2004	2003
Current portion deferred income taxes.....	\$ 4,804	\$ 4,297
Income tax receivable.....	1,467	-
Other.....	3,060	2,763
	<u>\$ 9,331</u>	<u>\$ 7,060</u>

5. Investments, Advances and Receivables

Components of investments, advances and receivables were as follows at December 31 (in thousands):

	2004	2003
CRDA bonds and direct investments.....	\$ 12,468	\$ 14,544
CRDA deposits.....	7,202	6,129
Valuation allowance	(8,585)	(8,317)
	<u>\$ 11,085</u>	<u>\$ 12,356</u>

The New Jersey Casino Control Act, as amended, requires RIH to purchase bonds issued by the Casino Reinvestment Development Authority (the "CRDA") or make other investments authorized by the CRDA, in an amount equal to 1.25% of RIH's gross gaming revenue, as defined.

The CRDA bonds have interest rates ranging from 3.5% to 7.0% and have repayment terms of between 20 and 50 years. The Company records charges to expense to reflect the below-market interest rate payable on the bonds it may have to purchase to fulfill its investment obligation at the date the obligation arises. The charge for the twelve months ended December 31, 2004 for discounts on obligations was \$1.7 million while RIH recorded a credit of \$2.3 million for the same period of 2003. The 2003 credit is due to the reversal of approximately \$3.0 million of amortization expense related to discounts on funds previously deposited with the CRDA in below-market bearing instruments. This reversal resulted from the receipt from the CRDA of \$9,189,000 of previously deposited funds as reimbursement for costs incurred for the construction of the New Tower. Discounts on obligations for the three months ended December 31, 2004 was approximately \$356,000, while in the same period for 2003, RIH had discounts on obligations of approximately \$116,000.

From time to time RIH has donated certain funds it has had on deposit with the CRDA in return for either relief from its obligation to purchase CRDA bonds or credits against future CRDA deposits. The majority of the Company's deposits have been pledged for specific projects.

6. Property and Equipment

Components of property and equipment were as follows at December 31 (in thousands):

	2004	2003
Land and land rights.....	\$ 34,698	\$ 34,698
Hotels and other buildings.....	193,306	80,125
Furniture, fixtures and equipment	62,582	39,091
Construction in progress.....	1,816	58,816
Property and Equipment – Gross.....	292,402	212,730
Less: accumulated depreciation	(36,159)	(23,121)
Property and Equipment - Net.....	<u>\$ 256,243</u>	<u>\$ 189,609</u>

7. Other Accrued Expenses

Components of other accrued expenses were as follows at December 31 (in thousands):

	2004	2003
Insurance and related costs	\$ 1,799	\$ 1,720
Payroll and related liabilities	7,655	6,496
Gaming taxes and fees.....	2,832	2,058
Other.....	3,019	3,427
	<u>\$ 15,305</u>	<u>\$ 13,701</u>

8. Other Current Liabilities

Components of other current liabilities were as follows at December 31 (in thousands):

	2004	2003
Interest Payable.....	\$ 6,039	\$ 6,038
Other.....	2,610	2,401
	<u>\$ 8,649</u>	<u>\$ 8,439</u>

9. Long-Term Debt

Due to Affiliates

On March 22, 2002, RIHC sold \$180.0 million aggregate principal amount of first mortgage notes (the “First Mortgage Notes”) at a price of 97.686% yielding \$175.8 million. The proceeds from the sale of the First Mortgage Notes were used to retire existing debt and to finance a portion of the cost to develop, construct and equip the Rendezvous Tower, Grand Lobby and expand Resorts casino (collectively, the “New Tower”), which was substantially completed in the second quarter of 2004. Interest on the First Mortgage Notes is payable on March 15 and September 15 of each year, and the First Mortgage Notes are due in full on March 15, 2009. In conjunction with the issuance of the First Mortgage Notes, RIHC issued a note to RIH with terms that mirror those of the First Mortgage Notes.

The First Mortgage Notes contain certain covenants that, among other things, limit RIHC’s ability and the ability of its subsidiaries to pay dividends on, redeem or repurchase its or their capital stock, make investments, incur additional indebtedness, permit payment of or restrict dividends by certain of its subsidiaries, enter into sale leaseback transactions, sell assets, guarantee indebtedness, create certain liens, engage in transactions with affiliates, and consolidate, merge or transfer all or substantially all its assets and the assets of its subsidiaries on a consolidated basis.

In connection with the construction of the New Tower, the Company has capitalized interest of \$8.1 million since the commencement of the project, of which \$4.1 million was capitalized during the twelve months ended December 31, 2004. The Company ceased capitalization of interest during the second quarter of 2004, as the New Tower was ready for its intended use.

9. Long-Term Debt (continued)

Other

Other long-term debt is summarized as follows at December 31 (in thousands):

	2004	2003
Thermal Agreement.....	\$ 6,280	\$ 6,474
CIT Facility	15,543	1,054
Other	550	0
	<u>22,373</u>	<u>7,528</u>
Less: current portion	5,525	846
	<u>\$ 16,848</u>	<u>\$ 6,682</u>

On June 16, 2002, RIH entered into a Thermal Energy Services Agreement (the "Thermal Agreement"). The initial term of the Thermal Agreement is 20 years, renewable at RIH's option for two additional five year terms. The Agreement has three components: a monthly charge for operation and maintenance of the thermal energy facilities; a capital lease component for capital improvements whose value was estimated at \$6.5 million on the date the Thermal Agreement was executed, and; a usage fee for steam and chilled water, whose usage and rate will vary by month of the year. The outstanding balance of the capital lease was \$6.3 million at December 31, 2004.

In June 2002, RIH entered into a Restated Loan and Security Agreement with CIT Group/Equipment Financing, Inc ("CIT Facility"). The CIT Facility permits RIH to borrow up to \$20 million for the purchase of machinery, furniture, or equipment. Loans pursuant to the CIT Facility are repayable in up to a sixty-month amortization period from the date the loan is made. Outstanding loans bear interest at the rate of LIBOR plus three and one-half percent. RIH is required to pay an annual fee equal to one-half percent of the unused portion of the CIT Facility. The outstanding balance due to CIT at December 31, 2004 was \$15.5 million.

In November 2002, RIH entered into a Loan and Security Agreement with Commerce Bank, N.A ("Commerce Facility"). The Commerce Facility provides for working capital borrowings and letters of credit up to \$10 million. The Commerce Facility expires on June 30, 2005. There was no outstanding balance on the Commerce Facility at December 31, 2004; however, there have been \$4.4 million in standby letters of credit issued related to insurance obligations of the Company, leaving an availability of \$5.6 million as of December 31, 2004.

In the second quarter of 2004, RIH completed a like-kind exchange of its warehouse for a new warehouse facility. The transaction included the receipt of approximately \$1.2 million from the sale of the old warehouse, the proceeds of which were combined with a \$600,000 note (the "Warehouse Note") to purchase the new facility. The Warehouse Note has an interest rate of 6%, with fixed payments of principal and interest due in December 2004, February 2005 and February 2006. At December 31, 2004, the outstanding balance of the note was \$550,000.

10. Related Party Transactions

RIH recorded the following expenses from affiliates for the twelve months ended December 31 (in thousands):

	2004	2003
Interest and amortization of discounts on First Mortgage Notes.....	\$ 21,204	\$ 21,149
Interest expense on hedging instruments	1	13
Less: capitalized interest.....	<u>(4,060)</u>	<u>(3,622)</u>
	<u>\$ 17,145</u>	<u>\$ 17,540</u>

11. Non-operating income (expense), net

Components of non-operating income (expense) were as follows at December 31 (in thousands):

	2004	2003
Interest income.....	\$ 522	\$ 1,294
Gain on sale of fixed assets.....	1,203	--
Other.....	1	(279)
	<u>\$ 1,726</u>	<u>\$ 1,015</u>

12. Income Taxes

Income tax expense (benefit) is comprised of the following for the year ended December 31 (in thousands):

	2004	2003	2002
Current:			
Federal.....	\$ (3,681)	\$ (369)	\$ 795
State.....	1,288	1,079	947
	<u>(2,393)</u>	<u>710</u>	<u>1,742</u>
Deferred:			
Federal.....	2,337	1,017	1,455
State.....	(1,856)	--	--
	<u>481</u>	<u>1,017</u>	<u>1,455</u>
	<u>\$ (1,912)</u>	<u>\$ 1,727</u>	<u>\$ 3,197</u>

The components of the deferred tax assets and liabilities were as follows at December 31 (in thousands):

	2004	2003
Deferred tax liabilities:		
Basis differences on property and equipment.....	\$ (12,725)	\$ (5,033)
Other.....	(1,443)	(1,564)
Total deferred tax liabilities.....	<u>(14,168)</u>	<u>(6,597)</u>
Deferred tax assets:		
NOL and capital loss carryforwards.....	12,671	8,477
Book reserves not yet deductible for tax.....	3,174	3,190
Tax credit carryforwards.....	1,225	441
Other.....	2,538	1,832
Total deferred tax assets.....	<u>19,608</u>	<u>13,940</u>
Valuation allowance for deferred tax assets.....	(7,218)	(8,640)
Deferred tax assets, net of valuation allowance.....	<u>12,390</u>	<u>5,300</u>
Net deferred tax liabilities.....	<u>\$ (1,778)</u>	<u>\$ (1,297)</u>

The effective income tax rate varies from the statutory Federal income tax rate as a result of the following factors (in thousands):

	Year ended December 31,		
	2004	2003	2002
Statutory Federal income tax rate.....	(34.0%)	34.0%	34.0%
Change in Federal income tax rate for deferred taxes.....	(1.2%)	--	--
State taxes, net of Federal benefit.....	(5.5%)	151.3%	10.3%
Non-deductible provisions and expenses.....	12.4%	181.7%	8.3%
Effective tax rate.....	<u>(28.3%)</u>	<u>367.0%</u>	<u>52.6%</u>

On June 30, 2003, the State of New Jersey amended the New Jersey Casino Control Act, effective July 1, 2003, to impose or increase certain taxes and fees, including a tax at the rate of 7.5% on the adjusted net income of casino licensees in calendar year 2002, payable in the state's fiscal years 2004 through 2006. The amount of this tax for each licensee is limited to a maximum of \$10.0 million annually and a minimum of \$350,000 annually. For the years ended December 31, 2004 and 2003, the Company recorded a provision of \$350,000 and \$175,000, respectively, for this tax.

12. Income Taxes (continued)

On July 3, 2002, the State of New Jersey passed the New Jersey Business Tax Reform Act which, among other things, requires the suspension of the use of the New Jersey net operating loss carryforwards for two years and the introduction of a new alternative minimum assessment ("NJAMA") under the New Jersey corporate business tax based on gross receipts or gross profits, as defined. The Tax Act was retroactive to January 1, 2002. In accordance with the Tax Act, the Company recorded a provision for current income tax of \$619,000 and \$597,000, net of Federal benefit, for the years ended December 31, 2004 and 2003, respectively.

At December 31, 2004, the Company has a net operating loss carryforward for Federal purposes of \$11.0 million. No valuation allowance has been provided against this, as the Company expects to use it fully before it expires in 2024.

At December 31, 2004, the Company has a state net operating loss carryforward of approximately \$144.9 million. The carryforward will expire as follows: 2005, \$32.8 million; 2006, \$2.4 million; 2007, \$40.2 million; 2008, \$20.7 million; and 2009, \$48.8 million. The Company has reported a full valuation allowance against the carryforward because it does not expect to realize the tax benefit, primarily due to the limited expiration period. However, the Company has approximately \$1.8 million of state tax credits resulting from the NJAMA which may be applied to offset future taxable income without expiration; these credits have been recorded as an asset on the Company's balance sheet at December 31, 2004.

13. Commitments and Contingencies

Litigation

RIHC is a defendant in certain litigation. In the opinion of management, based upon advice of counsel, the aggregate liability, if any, arising from such litigation will not have a material adverse effect on the financial position, results of operations, or liquidity of RIHC.

License Renewal

On January 21, 2004, the New Jersey Casino Control Commission (the "NJCCC") renewed RIH's license to operate its casino hotel complex in Atlantic City for the four year period ending January 31, 2008. A casino license is not transferable, and must be renewed every four years by filing an application, which must be acted upon by the NJCCC no later than 30 days prior to the expiration of the license then in force.

Commitments

The Company leases land, office space and certain equipment under non-cancelable operating lease arrangements. These leases expire in various years. Rent expense under these lease agreements for the years ended December 31, 2004, 2003 and 2002 were approximately \$5.4 million, \$3.5 million, and \$3.7 million, respectively. Future minimum lease payments under noncancelable operating leases consist of the following at December 31, 2004 (in thousands):

2005	\$	4,643
2006		4,588
2007		4,362
2008		5,316
2009 and thereafter		15,137

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents are reasonable estimates of fair values because of the short term maturities of these investments. The carrying values of the capital leases and other notes payable approximate the fair market value of these instruments based on their terms and rates. CRDA deposits, bonds, and other investments are stated net of a valuation allowance reflecting the below-market interest rates associated with these investments, therefore the carrying values approximate their fair values. The fair value of RIHC's First Mortgage Notes is estimated to be \$210,600,000 as of December 31, 2004, based on the trading price as of that date, compared to the carrying value of \$177,103,000.

14. Option Land Purchase

In conjunction with the purchase of RIH from KINA in April 2001, by CRH and RIHC, CRH obtained an option to purchase approximately 10.0 acres of real property immediately adjacent to the Resorts site and approximately 2.0 acres of real property located in the Atlantic City metropolitan area, pursuant to an option agreement ("Option Agreement") for a total purchase price of \$40.0 million. Portions of the option property (the "Option Land") are zoned for casino hotel use and are available for future expansion. Some of the option property was leased from KINA by RIH for use as a surface parking lot under a lease agreement with terms running contemporaneous with the terms of the Option Agreement.

The Option Agreement had a two-year term, which could be extended for two additional one-year terms upon the payment of a \$2.5 million extension fee payable upon each extension. The initial term of the Option Agreement was to expire in April 2003. The expiration date of the initial term of the Option Agreement was initially extended to June 15, 2003, as negotiations between the Companies and KINA for the purchase of the Option Land commenced. Subsequently, the expiration date of the initial term was further extended, upon the payment by RIH of one-half of the \$2.5 million extension fee.

In March 2004, the Option Land was acquired by Resorts Real Estate Holdings, Inc. ("RREH"), a wholly-owned subsidiary of CRH, in exchange for the issuance of a \$40 million note by RREH to KINA. This \$40 million note will mature immediately following the maturity, acceleration or refinancing (other than permitted refinancing) of the First Mortgage Notes which are due March 22, 2009. Interest on the \$40 million note is payable semi-annually, and calculated at the following annual rates: 0% through September 2004, 4% from October 2004 through March 2006, 6% from April 2006 through March 2008, and 9% from April 2008 through March 2009. The note payable to KINA is guaranteed by CRH, RIHC and RIH, provided, however that the guarantee of RIHC and RIH does not become effective until either the First Mortgage Notes have been paid in full or the fixed charge coverage ratio of RIHC is at least 2.0 to 1.0. In addition, the amount guaranteed is initially limited to \$20 million increasing by \$5 million each year.

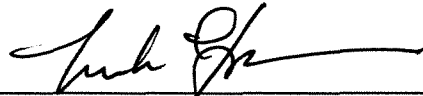
In conjunction with the option land purchase transaction, the Option Agreement between RIHC and KINA was terminated. With the termination of the Option Agreement, the lease agreement between KINA and RIH converted to a month-to-month fair market value lease. As part of the option land purchase transaction, the lease was amended to be a triple-net lease and was assigned by KINA to RREH. The amended agreement calls for the following payments: \$1.312 million security deposit paid upon closing, offset against lease payments of \$205,000 per month through September 2004; \$135,833 per month from October 2004 through March 2006; \$202,500 per month from April 2006 through March 2008; \$302,500 per month from April 2008 through March 2009 and \$402,500 per month thereafter. The lease agreement may be terminated by either party upon 30 days notice, with any security deposit remaining upon termination to be refunded to RIH.

15. Subsequent Events

On March 30, 2005, the CIT Facility was amended to provide for the suspension of principal payments for one year, commencing April 1, 2005; the outstanding principal balance as of March 31, 2005 will be paid in equal monthly installments commencing April 2006 and ending February 2009. Interest on the outstanding loans will continue to accrue and be paid monthly.

STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during this year.



Signature

Senior Vice President of
Finance and Chief Financial Officer

Title

008227-11

License Number

On Behalf Of:

RESORTS INTERNATIONAL HOTEL, INC.

Casino Licensee

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

FOR THE YEAR ENDED DECEMBER 31, 2004

(UNAUDITED)
(\$ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES

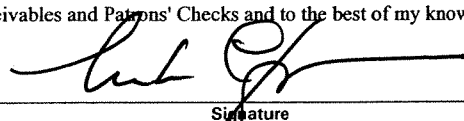
LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE NET OF ALLOWANCE (e)
	Patrons' Checks:			
1	Undeposited Patrons' Checks.....	\$ 3,408		
2	Returned Patrons' Checks.....	1,907		
3	Total Patrons' Checks.....	5,315	\$ 1,415	\$ 3,900
4	Hotel Receivables.....	643	32	611
	Other Receivables:			
5	Receivables Due from Officers and Employees.....	-		
6	Receivables Due from Affiliates.....	-		
7	Other Accounts and Notes Receivables.....	1,020		
8	Total Other Receivables.....	1,020	-	1,020
9	Totals (Form CCC-205).....	\$ 6,978	\$ 1,447	\$ 5,531

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1).....	\$ 3,158
	Counter Checks Issued (Excluding Counter Checks Issued Through Transactions Relating to Consolidations, Partial Redemptions, Substitutions, and Patrons' Cash Deposits).....	105,038
	Checks Redeemed Prior to Deposit (Excluding the Unredeemed Portion of Counter Checks Redeemed Through Partial Redemptions, and Excluding Checks Redeemed Through Transactions Relating to Consolidations, Substitutions, and Patrons' Cash Deposits).....	(80,601)
13	Checks Collected Through Deposits.....	(20,974)
14	Checks Transferred to Returned Checks.....	(3,213)
15	Other Adjustments.....	-
16	Ending Balance.....	3,408
17	"Hold" Checks Included in Balance on Line 16.....	\$ -
18	Provision for Uncollectible Patrons' Checks.....	\$ 138
19	Provision as a Percent of Counter Checks Issued.....	0.1%

Under penalties of perjury, I declare that I have examined this Schedule of Receivables and Patrons' Checks and to the best of my knowledge and belief, it is true and complete.

March 30, 2004
Date


Signature

Senior Vice President of
Finance and Chief Financial Officer
Title Of Officer

5/16/05

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2004

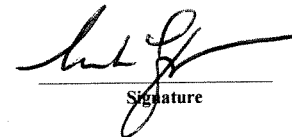
(\$ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF EMPLOYEES AT DECEMBER 31, (c)	SALARIES AND WAGES		
			Other Employees (d)	Officers & Owners (e)	Totals (f)
1	CASINO Administration	4			
2	Gaming	610			
3	Slots	283			
4	Casino Accounting	16			
5	Simulcasting	11			
6	Other	9			
7	Total - Casino	933	\$ 24,112	\$ 173	\$ 24,285
8	ROOMS	350	7,832	231	8,063
9	FOOD AND BEVERAGE	619	12,029	-	12,029
	OTHER OPERATED DEPARTMENTS				
10	Employee Cafeteria	29	942	-	942
11	Transportation	62	761	-	761
12	Uniform Room	14	314	-	314
13	Health Club	10	254	-	254
14	Reds	8	26	-	26
15	Other	4	178	-	178
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	16	716	1,645	2,361
21	Accounting and auditing	74	1,651	-	1,651
22	Security	183	4,598	-	4,598
23	Other administrative and general department	96	3,151	-	3,151
24	MARKETING	153	4,654	473	5,127
25	GUEST ENTERTAINMENT	186	1,039	-	1,039
26	PROPERTY OPERATION AND MAINTENANCE	103	4,963	-	4,963
27	TOTALS - ALL DEPARTMENTS	2,840	\$ 67,220	\$ 2,522	\$ 69,742

Under the penalties provided by law, I declare that I have examined this report, and to the best of my knowledge and belief, it is true and complete.

March 31, 2005

Date



Signature

 Senior Vice President of
 Finance and Chief Financial Officer
 Title of Officer

CCC-376

TRADING NAME OF LICENSEE RESORTS ATLANTIC CITY

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 2004

Line

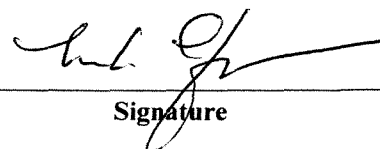
CASINO WIN:

1.	Table and Other Games Win.....	\$	63,904,039
2.	Slot Machines Win.....	\$	188,881,066
3.	Total Win.....	\$	252,785,105
4.	Recovery for Uncollectible Patrons' Checks.....		-
5.	Gross Revenue (line 3 plus line 4).....	\$	252,785,105
6.	Tax on Gross Revenue - Reporting Year (8% of line 5).....	\$	20,222,808
7.	Audit or Other Adjustments to Tax on Gross Revenues in Prior Years	\$	10,581
8.	Total Taxes on Gross Revenue (the sum of lines 6 and 7).....	\$	20,233,389
9.	Total (Deposits) Made for Tax on Reporting Year's Gross Revenue.....	\$	(20,222,808)
Settlement of Prior Years' Tax on Gross Revenue			
10.	Resulting from Audit or Other Adjustments - (Deposits) Credits		(10,581)
11.	Gross Revenue Taxes Payable (the net of lines 8, 9 and 10)		-

Under penalties of perjury, I declare that I have examined this Gross Revenue Annual Tax Return and to the best of my knowledge and belief, the information contained in this return is accurate.

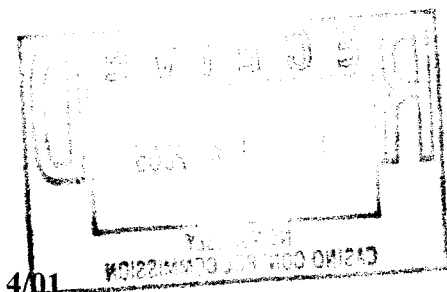
3/15/2005

Date


Signature

SVP/CFO

Title of Officer



CCC-381